



Kansas Press Association, Inc.

Dedicated to serving and advancing the interests of Kansas newspapers

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**Postal Regulatory Commission
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To: U.S. Postal Rate Commission

From: Michael Merriam, attorney at law, representing the Kansas Press Association, and Doug Anstaett, Executive Director, KPA.

Re: USPS's Proposed Negotiated Service Agreement with Valassis, Inc.

The Kansas Press Association and its 230 member newspapers wish to go on record as adamantly opposing Presiding Officer Order No. 1330, which would give special lower rates to Valassis, Inc., a direct competitor to the newspapers of the United States.

The proposal fails to take into account the drastic effect such a move would have on other private enterprises — namely newspapers — and whether it would end up actually hurting the revenue of the USPS.

We have asked members of our association to sign an electronic petition and send comments to the postal service, but it appears the timeline is much too short to compile those comments and get them to you before your self-imposed deadline. Since there was no hearing on this decision, we have not had adequate time to digest the information, research the possible effects and make a policy decision at our association.

The newspapers I represent believe this decision has the potential to put a number of them out of business, especially those who deliver preprints to their subscribers and those who receive alternative publications through Total Market Coverage vehicles.

While we certainly need a healthy Postal Service, we believe the Postal Service also needs a healthy newspaper industry, which has pumped billions of dollars in revenue into the system over the past two centuries.

This move constitutes an imminent threat to community newspapers, which would rob the public of quality news coverage their readers expect.

To our knowledge, no market analysis has been done to balance the effect on the Postal Service's revenue picture with the losses it would suffer if newspapers no longer mailed copies to their subscribers. And that is indeed the potential outcome of such a move.

We ask that the Postal Rate Commission delay a decision on this matter until the proper research, hearings and feedback period take place.

Thank you for your consideration.